

WYRE FOREST DISTRICT COUNCIL

CABINET MEETING
22ND MARCH 2007

Disabled Facilities Grants

OPEN	
COMMUNITY STRATEGY THEME:	Improved Health and Wellbeing
CORPORATE PLAN THEME:	Enabling Community Wellbeing
KEY PRIORITY:	Housing and Independent Living
CABINET MEMBER:	Councillor Anne Hingley
RESPONSIBLE OFFICER:	Head of Planning, Health and Environment
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APPENDICES:	One - Draft Consultation response on Disabled Facilities Grants Programme

1. PURPOSE OF REPORT

- 1.1 To advise on progress regarding the administration of Disabled Facilities Grant in the district.
- 1.2 To respond to a Government Consultation regarding the future of Disabled Facilities Grants.

2. RECOMMENDATION

The Cabinet is asked to DECIDE:

- 2.1 **A response be made to the Government’s consultation on the future of Disabled Facilities Grants on the basis of the draft response in Appendix One of the report.**
- 2.2 **In the light of proposed changes, Cabinet endorses the new working arrangements, as detailed in paragraph 4.2 of the report, for funding Disabled Facilities Grants in Community Housing Group owned properties and private properties.**

3. BACKGROUND

- 3.1 Disabled Facilities Grants (DFGs) are mandatory grants provided to persons to assist them in accessing and moving around their home and also to provide for facilities such as level access showers, ramps and stairlifts. The provision of these grants is covered by the Housing Grants, Construction and Regeneration Act 1996.
- 3.2 The administration, processing and supervision of these grants was carried out solely by the Council until 2000 when Wyre Forest Community Housing (WFCH) took over the Council housing stock. Since 2000, the provision of DFGs in WFCH properties has been carried out by staff of WFCH with Council Officers maintaining a supervisory role and part administrative function including provision of means testing. WFCH have been paid an Agency Fee (currently 10% of the work cost), top sliced from the grant, to provide for their role.
- 3.3 Recognising a backlog of DFGs needing to be resolved, the Council has committed significant funding to this service, currently £800,000 per year. This budget is contained within the 'Single Housing Capital Pot' and is part funded with a Government grant of 60% up to a limit of approximately £320,000.
- 3.4 In October 2004 the Council formally agreed with Redditch Borough Council and Bromsgrove District Council to set up the North Worcestershire Care and Repair Agency. One of the roles of the Agency is to administer, process and supervise DFGs in private properties. The Agency is provided with a 10% Agency Fee, top sliced, as with WFCH, and is also provided with additional support through the provision of a Caseworker and office accommodation (currently Wyre Forest District Council offices in New Street, Stourport on Severn). The Agency has completed a successful first year exceeding all of its targets and the Council sees its role continuing to develop to help meet its strategic housing objectives.
- 3.5 In June 2006 Cabinet agreed to the transfer of administration of all DFGs to the Care and Repair Agency. However, further investigations have led to the proposal set out in paragraph 4.2 below.
- 3.6 Improvements have been made in the efficiency of processing of grants, streamlining paperwork, having common standard schedules of work and costs and this has helped an increase in the number of grants, a reduction in their average cost and an achievement of spending the full budget in 2005/06 and 2006/07. Details are as follows:

Disabled Facilities Grants costs and spend 2004-2007

2006/07 Predicted outcomes

WFCH 85 grants, approx £400k Average spend = £4,700 per grant

C&R 49 85 grants, approx £400k Average spend = £4,700 per grant

Overall spend projected: £800k

Total number of grants: 170

Average spend: £4,700 per grant

2005/06

WFCH £374k 81 grants Average spend: £4,620 per grant

C&R 84 grants, £425k Average spend: £5,050 per grant

Overall spend: £799k

Total number of grants: 165

Average spend: £4,840 per grant

2004/05

WFCH 56 grants, £281k, Average = £5,000 per grant

Private 66 grants, £366k, Average = £5,450 per grant

Overall spend: £647k

Total number of grants: 122

Average spend: £5,300 per grant

4. KEY ISSUES

Administrative Arrangements

- 4.1 DFGs are currently administered through two agencies in the District. Many of the differences in how DFGs are dealt with by the Agencies have now been resolved, however, different levels of backlog of new referrals still exist. As of March 2007, the Community Housing Group has approximately 135 referrals waiting to be dealt with and Care and Repair have approximately 50 referrals waiting to be dealt with. It is known that Community Housing Group properties have a higher level of persons in need who do not have the financial ability to help themselves. Referral numbers from Occupational Therapists through County Council Social Services have been steadily decreasing in recent years with referrals to the Community Housing Group of 147 in 2003, 139 in 2004, 114 in 2005 and 85 in 2006. Care and Repair received 150 referrals in 2006. Each year a significant number of the referrals do not proceed to DFGs for various reasons, especially in the private sector where many have a significant contribution and therefore decide not to proceed or use the support of SSAFA Forces Help and other routes of funding.
- 4.2 Given the levels of referrals existing it is proposed that the Community Housing Group is allocated approximately £400k of the budget to administer and carry out works in their properties and Care and Repair are allocated £300k to carry out work in private properties and £100k to carry out works in Community Housing Group properties. This will maintain current levels of grants capacity and agency fees for both organisations whilst targeting the need more effectively. It will also help further equalisation of practices and procedures in both agencies. Both Care and Repair and the Community Housing Group are in agreement to work on this basis. On current average costs, 170 of the 185 referrals should be dealt with within the next financial year. The aim is to achieve a position from 2007/08 where all referrals received should be able to be dealt with within one year. Naturally advice from Occupational Therapists will be provided regarding the degree of current or future need assessed and prioritising the workload.

- 4.3 A further review of grant costs, the types of work carried out and materials used will be carried out with a view to further reducing the average cost of grant this year.

Government Consultation on the Future of DFGs

- 4.4 The proposals outlined in the Government's consultation document will have significant impacts upon the operation of DFGs in the district. The points of consultation and recommended responses are given in Appendix One.
- 4.5 In summary there are 3 key aspects to the consultation.
- (i) Firstly that the maximum limit and scope of the work to be covered is to be expanded. The maximum grant to be increased to £30k then up to £50k over time. The scope of works to include access to gardens, enabling working from home and personal development matters not just access to facilities. This will result in higher costs for individual grants and reduce the amount of cases that can be dealt with under the current budget. It is not possible to predict how significant this impact will be.
 - (ii) Secondly measures are proposed for a degree of repayment of grant. Whilst the Council's discretionary assistance to homeowners is repayable, DFG work often brings no additional value to the property or may actually decrease it's value. The options given all deal with grants over £5k whereas the average cost is less than £5k. It will not apply to most cases therefore and with the exemptions outlined will not result in any significant return of capital for reuse, contrary to the Government's predictions. This may remove the incentive to reduce costs.
 - (iii) Thirdly there are long term, unclear proposals regarding routing of financing through County wide level, to a single Home Improvement Agency, with the Regional Assembly becoming more responsible and determining a less ring - fenced pot of money on grants.
- 4.6 Following the consultation, when the Government announces any changes in the DFG system, Members will be informed of any apparent significant legal, financial and policy implications that are likely to arise

5. FINANCIAL IMPLICATIONS

- 5.1 The Council currently supports the functioning of the Agencies with fees on the works carried out and direct, in kind, support to the North Worcestershire Care and Repair Agency through a seconded case worker and office accommodation The total budget for DFGs is £800k per annum.
- 5.2 Whilst significant work of officers and the agencies involved has reduced the average grant costs, the Government decision to increase the maximum grant limit and widen the scope of works possible under mandatory DFGs could potentially have very significant financial implications for the Council. If proposed measures

for some degree of financial clawback are put into action this may to some degree lessen the impact over time of the increased limit and scope of works.

- 5.3 The consultation looks at long term potential channelling of non-ringfenced allocation of funds through the Regional Assembly to County wide level and one agency, such as the Care and Repair or other Home Improvement Agency.

6. LEGAL AND POLICY IMPLICATIONS

- 6.1 The Council is required to fund mandatory DFGs and this work is covered by the Private Sector Housing Assistance Policy. The Policy may need to be reviewed following conclusion of the consultation and implementation of changes thereafter. A further report to Cabinet will be made if this is the case.

7. RISK MANAGEMENT

- 7.1 Failure to ensure an effective DFG service in the district could result in disabled persons not being provided with the adaptations they need and the Council is duty bound to provide.

8. CONCLUSION

- 8.1 It is proposed to channel a proportion of work of the Care and Repair Agency into Community Housing Group properties to assist in dealing with the backlog of referrals still in existence.
- 8.2 It is proposed to respond to the Government consultation in line with the draft consultation response in Appendix One.

9. CONSULTEES

Head of Financial Services
Head of Legal and Democratic Services
The Community Housing Group
North Worcestershire Care and Repair Agency

10. BACKGROUND PAPERS

Disabled Facilities Grants Programme: The Government's Proposals to Improve Programme Delivery.

website link:

<http://www.communities.gov.uk/index.asp?id=1505528>

Cabinet 29th June 2006

05.03.07

Cabinet 22/03/07

Cabinet Report 22nd March 2007 - Disabled Facilities Grants

Draft Consultation Response on Disabled Facilities Grants Programme

The responses are set out in numerical order following the paragraph numbering in the consultation document titled:

**Disabled Facilities Grant Programme:
The Government's proposals to improve programme delivery**

The consultation response is given in italics

31. Extending the scope: Meeting more needs

a) Maximum limit of £25,000 to be increased immediately to £30,000. This will be subsequently reviewed with the aim of increasing to £50,000 in stages if the evidence shows that local authorities are realising sufficient offsetting savings through using the powers described in b) below.

Response:

This increase in grant limit in addition to extending the scope of grants to encompass works to allow access to gardens, enable working from home and other beneficial works will place a potentially significant additional financial and administrative burden upon the Council for these mandatory grants. It would not therefore be reasonable to extend the limit for grants to the great benefit of a few and draw resources away from the many in need, unless significant extra resources are provided.

b) General Consent to be issued under secondary legislative powers to allow local authorities to reclaim DFG in certain cases when adapted property in owner occupation is sold, subject to safeguards and limits. A range of options on how this might work is suggested in the paper but in all cases there would be a minimum award of grant of at least £5,000 for which no repayment conditions could be attached.

Response:

There are very limited opportunities for recovery given, all for cost of works above £5k, which is above the average grant cost in Wyre Forest over the last 3 years. The principal of personal responsibility is already used by the Council in the discretionary Decent Homes Assistance whereby a charge for works is put on the property and costs recovered. It is difficult to see how this could be applied to persons in tenanted properties, including Housing Association properties. In most cases the works carried out do not result in an increase in the property value however. Whilst a reasonable principle, there may be little practical use and it may create an uneven financial burden will be placed on individuals in different tenures.

c) New Statutory Instrument to be made which would clarify that DFG is available as a mandatory entitlement to ensure disabled persons have access to the garden and other outside spaces included within the boundary of the dwelling.

Response:

The extension of scope of DFGs will result in elevated expectations of clients and, without clarity of this scope, greater demands will be placed upon District Authorities and some demands will be shifted in responsibility from the Social Services (County) authority to the District. There is likely to be a significant increase in the complexity and cost of grants resulting in a greater financial burden upon the authority, especially for District Authorities. The scope of the grants should not therefore

be extended or the responsibility for non essential works should be borne by the Social Services Authority.

Ensuring clearer priorities and strategy

d) Issue new guidance to Regional Assemblies (RAs) to ensure that Regional Housing Strategies have a more explicit policy on adaptations as well as a more strategic and coherent approach to accessible housing. Disabled Facilities Grant would be rebadged and called Accessible Homes Grant to reflect this wider ambit. The mandatory entitlement of disabled people to support would be unaffected.

Response:

Disabled persons would ultimately benefit from ensuring a strategic approach to accessibility. This may for example encourage the provision of 3 bedroom bungalows and lifetime homes that are more suited to the needs of many families with disabled members. Work with partner organisations and planning policy can be helped towards the aim of greater accessibility in the housing stock through this proposal.

e) This will be linked to new guidance to housing associations emphasizing the need for them to contribute towards the regional strategy on accessible housing and to reach local agreements with local authorities in relation to major housing adaptations with a view to sharing the cost.

Response:

Guidance on the contribution of Housing Associations would be welcomed as there is a great contribution that can be made through their new build and refurbishment programmes, adaptive properties registers, allocations policies, small scale adaptation programme etc.

f) Provide additional flexibility for the use of the Communities and Local Government ring-fenced grant for DFG so that it can be used for associated purposes such as a grant which will enable clients to move home, if that is the best option, or for fast track systems to provide minor adaptations. Two options are proposed with resources being paid to local authorities using section 31 of the Local Government Act 2003. The options would be either to widen the scope of the existing ring-fenced grant so it could be used for additional purposes other than mandatory DFG, or to abolish the ring-fence and replace it with a targeted grant to support housing accessibility. The widening of the scope of the ring fence will be piloted first in the Individual Budget areas for 2007-08.

Response:

Given that there are insufficient funds provided by Government to meet the local need for DFGs, to widen the scope of the works and have the ring fencing 'loosened,' to allow for other works to be carried out beyond mandatory requirements, will further erode the ability of a District Authority to meet it's statutory obligations regarding DFGs. This proposal may be more appropriate for Unitary Authorities able to balance funding streams through Social Services and Housing Departments. The proposal will be challenging for District Authorities to work with and lack of detail in the proposal is of concern.

Faster delivery and simpler access:

g) Encourage local authorities to build on best practice and use their new financial flexibilities and freedoms to develop fast track delivery systems to deliver urgent and small-scale adaptations. Further guidance on model delivery systems will be issued.

Response:

Guidance will be welcomed and this Council has been developing new ways of working on matters such as portable buildings and stairlift recycling. Small scale adaptation work however would normally be covered by Social Services Departments at County Councils or by the Housing Associations.

h) Introduce a simplified application process for DFG through changes to secondary legislation.

Response:

This would be welcomed and help people understand the process and be dealt with in a more timely manner. It would also help clarity on those with a contribution to make or those eligible for grant assistance at an earlier stage.

i) Promote new methods for procurement of adaptations equipment to reduce costs, eg through regional development centres.

Response:

This would be welcomed and a natural step forwards from the Stairlift recycling and other measures taken through the Care and Repair Agency.

j) Pilot the increased use of Home Improvement Agencies (HIAs) in delivery of housing adaptations. Firstly, to provide a rapid response for the prevention of accidents and promote early release from hospital, (based on the system used in Wales). Secondly, to provide a full agency service for housing adaptations in county areas. Possibly as part of extended Link-Age Plus pilots.

Response:

HIAs work well now for this District and provide an extensive range of services beyond simple administration of DFGs. Any extension of their role needs to be considered in terms of cost for that provision and may require a greater contribution from County Councils in two-tier authority areas. A County wide basis for HIAs would be likely to provide greater efficiency and range of service in time compared to the current two agencies in Worcestershire.

Working towards integrated services

k) Communities and Local Government will continue to work with DfES to consider how DFG could better meet the needs of disabled children and their families.

Response:

Children and their families have considerable needs over time. Whilst desirable to assist, it has never been the role of DFGs to provide for a child's ongoing development that has been more of a Social Services role. This could lead to even greater demands upon the scope of DFGs and consequential funding implications for District Councils especially.

l) The Government recognises the potential benefits of the re-designation of stair lifts as items of equipment to be provided by the Community Equipment Service rather than through DFGs. Communities and Local Government to work with DH to examine the financial and other implications of this change, taking account of the views expressed by local authorities and other stakeholders.

Response:

This proposal is welcomed. The use of the recycling service is reducing the cost of stairlift provision and they are looked upon by this Council as reusable equipment.

m) Communities and Local Government will work with HMT/DWP/ etc to consider the scope for improved targeting of the DFG means test given available resources.

Response:

Improved targeting of the means test is welcomed to bring it in line with other means testing systems so that across a range of services by different Councils and agencies, there is consistency as to at what level of financial circumstance financial assistance is given or services are provided.

n) Disabled Facilities Grant to be an important part of the Individual Budgets Pilot programme with a Government commitment to explore how it can be more closely integrated into a new system for social care for older and disabled people, incorporating a more streamlined assessment of need, a transparent allocation of resources and greater flexibility and choice for those being supported.

Response:

This proposal can only be based upon the assumption of single tier authority administration of the whole range of services. This proposal needs to be reconsidered for the structures in two –tier authority areas.

o) Review of legislation for providing housing adaptations and of organizational structures for delivery to await evaluation of the Individual Budget Pilots.

Response:

Any pilots must consider structures in two-tier authority areas before considering applying them to such areas.

p) The Government accepts there will be a need to consolidate the DFG and Care Services means tests – subject to successful evaluation of Individual Budget Pilots; a decision to roll-out Individual Budgets (IBs) nationally; and available resources.

Response:

One means test would be welcomed as providing an equitable approach that is fair to clients.

A further option to simplify the DFG means test would be to increase the range of benefits which would entitle a DFG applicant to be passported through for maximum automatic assistance. Currently those on income support, job seekers allowance or pension guarantee credit are passported through in this way. This could be extended to include the other income related benefits which are used to assess eligibility for Warm Front grants which provide householders and tenants with assistance for improved heating and insulation, namely:

- Council Tax Benefit;
- Housing Benefit;
- Working Tax Credit with income of less than £15,050;
- Child Tax Credit with an income of less than £15,050;
- War Disablement Pension; and
- Industrial Injuries Disablement Benefit.

Response:

This change would be welcomed.

Additional response:

This Authority is piloting the use of recoverable portable structures to provide facilities. In addition to the proposed changes, the Government should take the opportunity to clarify the legal principal of recovery and acknowledge and encourage the use of such structures where appropriate.